

## **Global Governance and the Emergence of Global Institutions for the 21<sup>st</sup> Century**

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A month ago, the Intergovernmental Panel on Climate Change issued a Special Report on Global Warming in which it stated that “limiting global warming to 1.5°C would require rapid, far-reaching and unprecedented changes in all aspects of society.” It noted that we are well on our way to breach that threshold, something that has not happened in over a million years (perhaps longer), taking us into uncharted territory.

But climate change is not in any sense the only global catastrophic risk that we confront. We live in a world in which we see how a diminished faith in our political leaders and governmental structures, is leading to a dangerous rise of nationalism and populism:

- The rise of autocratic leaders
- The inability to control corruption
- Public disillusionment with partisan politics
- And a willingness to believe populist promises.

All this leads to a general decline in the quality of leadership in government, and increased risks of fundamental instabilities that could precipitate major crises, disregarding the lessons of the past.

So, let me take you back to the 1940’s.

The last time that there was a serious debate about the kind of global order that needed to be created to ensure peace and security and to create a basis for human prosperity was when the United States entered World War II and President Roosevelt called for the creation of the United Nations.

Up to October of 1943 much of the thinking centered on the future establishment of some type of international entity founded on federalist principles, not unlike in conception to the model adopted by the United States during its Constitutional Convention in 1787. This would have implied the creation of a legislative body with substantial powers to enact laws that would be binding on member states.

But this expansive vision soon confronted two major constraints:

- Firstly, the need to get the support of the Soviet Union, where Stalin was not at all interested in creating an organization which might interfere with Soviet sovereignty and prerogatives; and

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<sup>1</sup> These remarks draw from a longer paper with Arthur Dahl and Maja Groff which can be found at:  
[http://augustolopezclaros.com/wp-content/uploads/2018/06/GlobalGovernance21stCenturyPaper\\_2018.pdf?x28456](http://augustolopezclaros.com/wp-content/uploads/2018/06/GlobalGovernance21stCenturyPaper_2018.pdf?x28456)

- Secondly, the need to ensure US Senate approval of the UN Charter to avoid a repetition of president Wilson's failure in 1920 to secure US participation in the League of Nations.

In the late 1950s, Grenville Clark and Louis Sohn, in their magnificent *World Peace Through World Law*, offered a comprehensive range of proposals to address the built-in flaws of the UN. But, while much admired in many policymaking circles, they had little impact. By then the world was in the midst of the Cold War and we were about to enter into a decades-long process of arms build-up by the major powers, with multiple conflicts across the planet, with great losses in human life and delayed economic and social development.

60 years later we need to go back to the proposals put forth by the likes of Grenville Clark, Albert Einstein, Bertrand Russell and others because it is becoming increasingly evident that our current UN-based order is not a problem-solving system and has not led to the strengthening of the mechanisms of international cooperation which are vital to address common global problems.

We think that the time is ripe to do this in a way that was not possible in the 1940s and 50s because there are other catalysts for the development of global governance that have emerged and that we need to keep in mind:

1. Few credible people think that the current system is sustainable, that we can just muddle through for the next several decades without meaningfully addressing some of the risks that cast a shadow over the future of mankind.
2. The world is 100 times more integrated today than half a century ago. The costs of non-cooperation are much, much higher today. A war between two global powers, in the age of nuclear weapons, is infinitely more catastrophic in its consequences than it would have been before 1945. And we saw in 2008 how a financial crisis in one country can rapidly spillover and become a global, deeply destabilizing, phenomenon.
3. Civil society and the business community are empowered today in a way that was not the case back in the 1950s. All of the major successful initiatives in the area of international cooperation in the past 2 decades from the creation of the ICC to the Paris Accord on Climate Change, to the Treaty on the Prohibition of Nuclear Weapons, could not have been undertaken without the involvement of other stake-holders, beyond government
4. Science and technology have made it much easier to mobilize public opinion and there is much greater awareness, globally, of the problems we face and the risks that they carry.

So, what does this mean for the future of global governance? We would like to propose four concrete suggestions which we believe would contribute greatly to reforming the UN architecture, to improve its structures, to enhance its effectiveness and to empower it to find sensible solutions to global challenges. Our proposals will focus on:

- The General Assembly (GA): voting power and functions

- The creation of a Second Chamber or a World Parliamentary Assembly (WPA)
- The need for an International Security Force; and
- A new funding mechanism for the UN

## **The General Assembly**

One key problem is that the GA operates under the principle of one-country-one vote. Think about that. China with a population of close to 1.4 billion people has the same voting power as Nauru with a population of about 13,000. Switzerland's contribution to the UN budget (1.14 percent of the total) exceeds the cumulative contributions of the 120 countries with the smallest contributions. A system so out of balance, so distorted is doomed to be riddled with infighting and structural inefficiencies.

We propose a system which allocates voting power in the GA on the basis of three factors:

- a country's population share
- its share of world GNP and,
- a membership share which would be equal for all 193 UN members.

Under this system China would have the largest voting power (11.49%) followed by the United States (9.47%) and India (7.07 percent). Such a distribution of power would empower the General Assembly to do much more because its legitimacy would be enhanced.

## **A Second Chamber or WPA**

The idea has been around since the organization's inception. Purpose: to enhance the democratic character of the UN by establishing a firmer linkage between the organization and the peoples it was meant to serve.

The preamble to the UN Charter starts with "We the peoples" but the men and women who serve on the GA are diplomats representing the executive branches of their respective governments. There is no meaningful, direct linkage between them and the people they represent. In fact, for non-democratic member states one could say there is no linkage at all between the governments and the people they rule over.

In time, because changing voting weights in the GA would require amendments to the UN Charter, proposals emerged for the creation of a second chamber, a WPA, complementary to the GA and which could be established within the existing Charter

A WPA would establish a direct connection between the UN system and the global citizenry which now either does not exist or is too weak to make a difference. Having a larger measure of democratic legitimacy, its deliberations and recommendations would be imbued with a degree of credibility and urgency that existing organs such as the Security Council and the GA have

lacked, at great cost to global welfare and our collective future. It could thus become a powerful catalyst for actual change.

In this respect we think that there is great merit to the idea of formalizing in some way what was done by the UN in 2000. Ahead of the Millennium Summit that year the Secretary General invited 1400 civil society representative to the NGO Forum, to consult on critical global problems and issue recommendations to the Heads of State who came together later that year in what was the largest such gathering ever. Such a Forum, meeting regularly, would recognize that solutions to some of our most critical problems require multi-stakeholder engagement and could over time facilitate the transition to a WPA.

### **The need for an International Security Force**

The creation of a United Nations ISF, firmly anchored in the notion that force may at times be necessary to deliver justice and the rule of law, would address one of the main flaws of our current UN system: The absence of a reliable international enforcing mechanism to carry out certain decisions made by the Security Council has been enormously costly in human terms.

The ISF, consisting of a standby force maintained, operated and commanded by the UN, would enhance the credibility of the UN to prevent conflicts and maintain peace and security in the world. It would create a mechanism of collective security which would significantly reduce the pressure on countries to maintain extensive and expensive military establishments. Reductions in military spending at the national level could be re-allocated to other ends, including education, public health, infrastructure and other productivity-enhancing areas, thereby giving rise to a real “peace dividend.”

Total world military spending in 2016 was about US\$1.7 trillion. A Standing Force of some 800,000 might cost some US\$70 billion on an annual basis. According to the Institute for Economics and Peace the total economic impact of violence to the world economy in 2015 was \$13.6 trillion, equivalent to about 18 per cent of world GDP or \$1,876 per person per year. Clearly, the ISF could have vast security and economic ramifications, releasing substantial resources to promote economic and social development.

Clearly, the establishment of such a force would need to be accompanied by a process of disarmament. The aim is to move to a world in which we empower the UN to fulfill its Charter mandates in the area of peace and security, something that it has not been able to do in its close to 70-year history.

### **A new funding mechanism for the UN**

The UN has a:

- regular budget which funds the UN Secretariat and its multiple activities
- a peace-keeping budget, and
- a budget that finances the activities of its specialized agencies. These budgets are financed by assessed contributions from members.

In addition, there is a separate budget that is funded by voluntary earmarked contributions from some of its wealthier members in support of particular agencies, projects and programs.

Contributions to the UN budget are heavily asymmetric. The top 10 contributors account for 70% of the budget; the top 20 for 84% of the budget. A number of different proposals for a better funding mechanism for the UN have been put forward over the years. We support a proposal based on:

*A fixed proportion of Gross National Income*

The UN would simply assess member contributions at a fixed percent of their respective GNIs. Total world GNI at market prices in 2016 was US\$ 75.6 trillion. A 0.1 percent of GDP contribution to the UN budget would generate US\$ 75.6 billion, a sizable sum to start with, 5 times larger than the current regular budget and some 50% higher than the budget if one uses the most comprehensive measure, including all earmarked contributions and peace keeping operations. The main advantage of this system is simplicity and transparency. Every country gets assessed at the same rate; the criteria for burden sharing is crystal clear. Contributions are linked to economic size—as in the current system—but without the need for carveouts, exceptions, floors and ceilings, discounts and the need to develop “formulas,” often vulnerable to political machinations.

Ladies and Gentlemen,

We believe that by implementing these four proposals the UN can sharply reduce the likelihood of a catastrophic collapse. A collapse of the present system which would have devastating consequences on a global scale. If we do not act now to strengthen the international order, we may be forced to rebuild a global institutional framework after a third world war; the collapse of the global economy; a pandemic wiping out a significant part of the world’s population; or extreme climate change producing famines and mass migrations, any of which would overwhelm existing institutions.

Because reshaping international governance is not ultimately about institutions, structures or even funding. Reshaping international governance is about protecting all that we hold dear. It is about ensuring mankind has a safe path during and past the 21<sup>st</sup> century. It is about leaving to our children a better world than the one we were born into, one in which they find the conditions that will enable them to develop fully all their God-given latent capacities, not one in which they will have to deal with the consequences of unprecedented global catastrophes.

In this respect, the words of Jonathan Schell ring truer than ever:

“We have organizations for the preservation of almost everything in life that we want but no organization for the preservation of mankind. People seem to have decided that our collective will is too weak or flawed to rise to this occasion. They see the violence that has saturated human history, and conclude that to practice violence is innate to our species. They find the perennial hope that peace can be brought to the earth once and for all a delusion of the well-meaning who have

refused to face the “harsh realities” of international life—the realities of self-interest, fear, hatred, and aggression. They have concluded that these realities are eternal ones, and this conclusion defeats at the outset any hope of taking the actions necessary for survival.”

*The Fate of the Earth*<sup>2</sup>

It is up to us here today, to prove him wrong.

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<sup>2</sup> Schell, Jonathan. 1982. *The Fate of the Earth*, Jonathan Cape, London, p. 185.